

Kuwait: 02/05/2021
Ref: 1290/2021

الكويت: 2021/05/02
الإشارة: 2021/1290

Mr. Mohammad Saud Al-Osaimi
CEO
Boursa Kuwait

السيد/ محمد سعود العصيمي المحترم
الرئيس التنفيذي
بورصة الكويت

Dear Sir,

السلام عليكم ورحمة الله وبركاته وبعد ،،،

Minutes of the Analysts' Conference call
for the First Quarter of 2021

محضر مؤتمر المحللين للربع الاول لسنة 2021

Reference is made to the provisions of Article no. (8-4-2) of Boursa Kuwait Rulebook issued by virtue of Resolution no. 1 of 2018 and its amendments concerning continuing the obligations of the listed companies classified under the "Premier Market Segment" under which Boubyan Bank is categorized.

بالإشارة الى أحكام المادة رقم (8-4-2) من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018 وتعديلاته، والمتعلقة بالالتزامات المستمرة المطلوبة من الشركات المدرجة المصنفة ضمن شريحة -السوق الأول – (Premier Market) والتي تم تصنيف بنك بوبيان ضمنها.

We attach herewith a copy of the Minutes of the Analysts' Conference call for the First quarter ended 31/03/2021 held via Live Webcast at 01:45 pm (Local Time) on Tuesday, April 27th 2021 as per the requirements of the said article.

نرفق لكم نسخة من محضر مؤتمر المحللين للربع الأول المنتهي في 2021/03/31 الذي انعقد عن طريق بث مباشر على شبكة الأنترنت (Live Webcast) في تمام الساعة 01:45 (وفق التوقيت المحلي) من بعد ظهر يوم الثلاثاء الموافق 2021/04/27؛ وذلك وفقا للمتطلبات الواردة في المادة المشار إليها أعلاه.

Best regards,

وتفضلوا بقبول فائق الاحترام ،،،

Adel Abdul Wahab Al-Majed
Vice-Chairman
& Group Chief Executive Officer




عادل عبد الوهاب الماجد
نائب رئيس مجلس الإدارة
والرئيس التنفيذي للمجموعة

P.O.Box 25507
Safat 13116 Kuwait
Tel. (965) 2232 5000
Fax. (965) 2245 4263
Call Center (965) 1 82 00 82
C.R. 104042

ص.ب. 25507
الصفاءة 13116 الكويت

bankboubyan.com

نعمل باتقان



Q1 2021 Boubyan Bank K.S.C.P – Earnings Call

Edited transcript of Boubyan Bank earnings conference call that took place on Tuesday 27th April 2021 at 14:00 Kuwait time

Corporate participants:

Mr. Abdul Salam Al-Saleh – Chief Executive Officer

Mr. Mohamed Ibrahim – General Manager, Financial Control Group

Mr. Omar Bouhafis – Head of Investor Relations

Omar Bouhafs: Good afternoon everyone, and thank you for joining us today. This is Omar Bouhafs, Head of Investor Relations. I am pleased to welcome you all to Boubyan Bank's earnings webcast covering the results for the first quarter of the 2021 year.

Joining me today is Mr. Abdul Salam Al-Saleh Chief Executive Officer and Mr. Mohamed Ibrahim Group General Manager - Financial Control. I'd like to commence our call today by reading out a brief disclaimer which you can also find on page 2 of our presentation:

"Certain statements in this presentation may constitute forward looking statements reflecting the banks expectations. Accordingly, these are subject to risk and uncertainty, which may cause actual results to differ materially from the plans reflected within today's presentation. You are cautioned not to rely on such forward looking statements and the Bank does not assume any obligation to update its views of such risks and uncertainties or to publicly announce any revisions to the forward looking statements made herein"

In addition to the disclaimer I have just read, I urge you all to read the full text of our disclaimer on page two of the presentation pack.

Our format for today's call will include:

An overview of Boubyan's performance by Mr. Abdul Salam Al-Saleh followed by a presentation on the Bank's financial performance by Mr. Mohamed Ibrahim.

Following this we will have time for Q&A with attendees today. We will be receiving your questions through the webcast platform, and we will endeavour to answer all of your questions today, however if any questions are left unanswered due to time constraints, or you have any further questions you wish to pose, please feel free to contact us through the Boubyan Investor relations email address, which you can find on our website.

With that said, I would like to now hand you over to Mr. Abdul Salam Al-Saleh to take you through a brief update on Boubyan's performance for the first quarter of 2021.

Abdul Salam Al-Saleh:

Thank you Omar.

Good afternoon Ladies and Gentlemen and thank you for joining us. Today, I will provide an overview of Boubyan's performance for the first quarter of 2021, along with an overview of the Bank's strategy and operating environment.

Boubyan is pleased to announce **KD 24.8 million** in operating profits for the first quarter, a growth of 10% in spite of the continuing exceptional circumstances we are going through with the pandemic.

In light of this, the Bank has continued its prudent approach by allocating **KD 12 million** in provisions and thereby achieving **KD 12.6 million** in net profits for the year a growth of 23% year on year. With earnings per share growing to 3.97 fils.

We decided to allocate additional precautionary provisions to strengthen the Bank's financial position and bolster our ability to face any potential consequences arising from the Covid-19 crisis.

Our balance sheet has continued to record strong growth with total assets growing at 9% to **KD 6.7 billion** which was driven by the strong organic growth in our financing portfolio, which grew by 8% to **KD 4.9 billion**. While our deposits grew by 13% to **KD 5.2 billion**.

In terms of market share domestically, over the past 12 months Boubyan has continued on its growth journey with increases in market share across all Assets, Deposits and Financing metrics. Again, reflecting the continued strength of the Boubyan Franchise.

With this strong growth, I would like to point out that non-performing loans stood at 1.2% at Q1, a slight increase from 0.9% from the same period last year, as a result of the economic conditions we discussed. However this remains one of the lowest amongst peers, as well as a reflection of Boubyan's longstanding balanced business model, pure banking focus and prudent underwriting policy.

Furthermore our Ratings from Moody's, S&P and Fitch remain at A3, A- and A+ respectively.

Moving on now to discuss our strategy and operating environment.

Despite the challenges of 2020, the Bank remained committed in implementing its third five-year strategy "Boubyan 2023" which builds on the Group's robust domestic foundations and strengthening our international presence.

Domestically, we believe we can continue to achieve our strategic aspiration of sustained growth in Kuwait by continuing to provide the highest levels of customer service and affirming our excellence in digital services.

Our excellence in customer service, was again confirmed by being named the Best Islamic Bank in Customer Service for the eleventh year in a row since 2010 by Service Hero, an achievement of which we are proud.

Furthermore, over the past month, Boubyan successfully issued **US \$500 million** in perpetual tier-1 sukuk, with strong subscription demand from both regional and international investors reflecting well on the bank's growing status and reputation. This issuance will support Boubyan in maintaining its strong capital position as we continue upon our growth strategy.

In terms of our operating environment, despite the on-going pandemic, we are optimistic about the upcoming period, in light of the large vaccination drive underway country-wide to pave the way for the reopening of all sectors and gradual return to normal life.

A final point before I hand over to Mohamed. Boubyan is proud to have announced the publication of our first edition of our Sustainability report covering the 2020 year. The report covers Boubyan's performance and growth indicators across an array of sustainability, environment, social and governance aspects and reflects our resolute commitment to these essential foundations of our business. Our inaugural report is now available on our website.

This is an overview about Boubyan and our major achievements. Now, Mohamed will take you through the Bank's financial performance in more detail.

Mohamed Ibrahim: Thank you Mr. Abdul Salam and good afternoon everyone. It is my pleasure to take you through our financial results for the first quarter of 2021.

Before we commence, I would like to point out that due to the timing of the BLME acquisition last year, the Q1 period included 2 months of BLME consolidation, while the 2021 year includes 3 months.

As you can see on the top left of Page 7, the bank reported a net profit

of **KD 12.6 million** with an earnings per share of **3.97 fils**.

This profit was achieved after recording a considerable amount of precautionary provisions during the period to manage any potential impact from the Covid-19 pandemic.

The Bank's operating profit increased by **10%** to **KD 24.8 million** reflecting growth in the banks operating income, particularly net financing income.

The bank's ROAE increased year-on-year to **8.7%** and similarly our return on average assets increased to **0.8%** on account of the higher net profit as I highlighted.

Now moving to the operating income components on Page 8, we can see that Operating income increased by **9%** to reach **KD 45.1 million**. As I mentioned this was mainly driven by the Bank's net financing income, which grew by **21%** reaching **KD 38.9 million out of which the additional one month of BLME consolidation as I mentioned before contributed approximately 4% to this growth**. The remaining 17% is a result of strong volume growth in the Bank's average profit earning assets, and improved margins. As you can see the Bank's net profit margin increased to **2.5%**.

This growth in net financing income has contributed into increasing the percentage of net financing income to total operating income to **86%** compared to Q1 2020 of 78%.

Fees and commissions income showed some signs of recovery during this quarter and reached KD 3.7 million which is similar to Q1 2020 level considering the additional decline we witnessed since Q2 2020. FX income was back to its regular quarterly level of KD 1.1 million considering some extraordinary FX volume we had during Q1 2020.

Investment income was lower than 2020, by **KD 1.6 million** due to the one-off gain on the acquisition of BLME of **KD 2.2 million** recognised in Q1 2020.

Now, we will move to slide 9 and discuss operating expenses. Operating expenses grew by **8%** during this quarter compared to 9% growth in operating income which resulted into reducing the cost to income ratio to **45%** and cost to average assets to **1.2%**. The overall composition of operating costs is almost consistent with 2020.

We will now move onto provisions on slide 10, we can see that the total impairment provision was **KD 12 million** which was financing related.

As mentioned earlier, the Bank was proactive in recording precautionary provisions to manage the consequences arising from the COVID-19 pandemic.

Nevertheless, the bank's loss ratio declined to **0.73%** and provisions as a percentage of operating profit declined to **48.2%**.

I would like to highlight that IFRS 9 provision was lower than the provision as per CBK by **KD 79 million** and accordingly we have reported the CBK provision in our financials as the higher of the two.

Now moving on to slide 12 let us look at our Balance sheet.

Overall, our total assets grew by **9%** Year on Year. This increase was mainly driven by the strong organic growth in the Bank's financing portfolio.

Liquid assets to total assets ratio was maintained at a comfortable level of around **23%**. In general, the composition of total assets has been consistent with last year, with the share of the financing portfolio representing **73%** of total assets.

Customer deposits also increased by **13%** Year on Year mainly from the growth in core retail deposits of **KD 730 million** year-on-year or **26%** which is one of our core strengths and reflects the continued improvement in our brand.

The bank has maintained its domestic loan to deposit ratio at a comfortable level of approximately **88.7%**.

We now move on to slide 13 to discuss the performance of our financing portfolio. Our net financing portfolio grew by **KD 360 million** Year-on-Year or **8%** against a broader market growth of less than **5%**.

Our Retail financing grew by **18%** driving much of the growth year-on-year, with our Corporate financing was subdued at 3% since the commencement of the pandemic, while BLME portfolio increased by 9% during this time mainly due to the increase in GBP exchange rate.

This has resulted into increasing retail financing as a percentage of our portfolio at the consolidated level to **38%** from **36%**, remaining one of the highest ratios in the industry.

Non-performing loans stood at **1.2%** by the end of Q1 2021 compared

to **0.9%** at the end of Q1 2020 with a coverage ratio of **242%**. It is worth noting that despite the very challenging operating environment, we are still maintaining NPL at that level which considered one of the lowest rates amongst local and regional banks which proves the quality of our portfolio and underwriting strategy.

We now move on to our last section on Capital Ratios on page 15.

We are maintaining our capital at a comfortable level of **16.2%** after deploying the capital required for growth in business. This however still remains well above the regulatory minimum.

Risk Weighted Assets reported a year-on-year growth of **6%** to reach **KD 4.3 billion**, which was primarily driven by asset growth as discussed earlier.

Regulatory capital mainly comprises of Common Equity Tier 1 which represents **81%** of the total capital, broadly consistent with the levels in 2020. This is followed by additional Tier 1 at **11%** which is comprised of the Boubyan Sukuk that was issued in May 2016. I would like to point out that the issuance of the new Tier-1 sukuk will be reflected in our Q2 financials due to the timing of the transaction settlement.

The leverage ratio was **8.9%** which is broadly in line with the market and well above the regulatory minimum of **3%**.

With this I would like to conclude my briefing on the financial performance. Now, I would like to handover to the Omar for the Q&A session.

Omar Bouhafis

Thank you Mohamed.

We will now start our Q&A session. Ladies and gentlemen if you wish to participate in our Q&A please select the 'raise-your-hand' icon, or alternatively please type your question using the question box on screen. Then click the submit button. Thank you for holding.

Question 1

Last year, your loan growth in Kuwait was quite good, if my memory serves me right, the Kuwait loan book grew by 13% or 14% year-on-year, should we expect the same level of growth in Kuwait this year and next year? Can you give us some guidance about the loan growth in Kuwait and also the loan growth of the Group. My second question is on the provisions, should we expect the cost of risk to go back to 2019 levels

this year or next year? Any guidance on this would be useful for us. My third question is on the cost. Obviously, the balance sheet is growing quite fast, does it provide room to increase operating leverage and reduce the cost-to-income ratio over time? Thank you.

Mohamed Ibrahim Thank you. I'll start with your first question about the growths in the Kuwaiti portfolio, excluding the BLME business. As you can see, for retail, we achieved 18% gross year-on-year, it was a very good year for retail. We believe for 2021, retail will continue at a similar level and we can close the year at double digits. For corporate, the growth was at 3% only and this reflects the situation during 2020 till this quarter. Our aspiration is that corporate business will start to pick up after 1-2 months' time, after the situation with the partial curfew and lockdown comes back to normal. If this happens, I think we can see high single digit of growth. This will take our Kuwaiti growth to lower double digits.

While with BLME our target this year is for flat growth, however so far, for year-on-year, we recorded a 9% growth but this was mainly from the effect of FX movement. Nevertheless, our target for this year is to have a flat growth. Hopefully this covers your first question.

Regarding the cost of risk, it's very early to say whether 2021 will return to the 2019 level. Our aspiration is to see a declining trend during 2021. We saw this in the first quarter with a declining trend in provisions as a percentage of operating income and with the loss ratio which also declined below the 2020 level. Our aspiration is to continue seeing a declining trend during 2021. Again, all of us hope that 2021 will see an end to the pandemic situation so that 2022 can return back to 2019 levels. But again, it is very early to draw any conclusion on this.

Your last question regarding efficiency, as I usually mention, it is one of our top priorities in Boubyan. It is one of our strategic pillars, however, while efficiency is one important angle we are spending and investing in our digital and other distribution channels. This spending, which is reflected in the achievement of double digit growth in our business, is essential at this stage for Boubyan's strategy.

So, with the efficiency initiative, along with the spending for our digital and distribution channels, we believe our cost-to-income should see a declining trend. Currently, our Kuwaiti level is around 41% - 42% and at a consolidated level around 45%. Our aspiration is to see the Kuwaiti level drop to below 40% in the medium term.

Question 2 Quite clear on the long term trends that it will go down over a period of time, but in the near term, the growth will continue to be high because of

your aspiration to spend on digital banking and other distribution platforms?

Mohamed Ibrahim Yes that is correct.

Question 3 Regarding the payment holiday which was just announced. My question is whether it is open to all local residents? Or do people have to qualify for this program? In other terms, do people have to prove that they have been affected by this crisis in order to avail from this program? Or is it a blanket program which will involve all the local residents?

Mohamed Ibrahim This is for all Kuwaiti nationals and limited only to consumer and instalment loans. It is not in any way related with impacted sectors. Whoever qualifies can just apply to their bank for the deferral.

Question 4 When you say 'whoever qualifies', all Kuwaitis can apply, right?

Mohamed Ibrahim All Kuwaitis except for those with legal actions against them.

Question 5 My question is in terms of the balance between online transactions and in branches. Can you just give us some details on that and how this has been progressing?

Mohamed Ibrahim It is difficult to give you one number or ratio because we have numerous measures. But what I can say is the use of all our digital channels is increasing year-on-year and especially after the pandemic where we saw very high levels of use for these channels.

We also started to see a very good level of increased sales. Recently, Boubyan announced a lot of new online services and products which allows customers to complete their banking activities like opening accounts, making murabaha, issuing credit cards, and these have helped the growth in online digital sales

Question 6 With regards to BLME, is the current situation with COVID causing demand for their products to be higher or lower. Are the Kuwaiti customers more attracted to what's available in the UK?

Mohamed Ibrahim Yes, as you know, the lockdown impacted a lot of activities and BLME is part of this. However, we did not see any kind of impact here. People still have a preference for the UK and to open accounts and invest in the UK. So we did not see any impact here with the COVID situation.

Omar Bouhafis: So given there are no further questions remaining, so we'd like to thank you all for your attendance today and remind you that should you wish to ask any follow up questions you may do so via the investor relations email

address listed on our website.

A reminder that the presentation slides and transcripts of this call will be published on Boubyan and the Kuwait Boursa Websites within the coming days.

Thank you.

Boubyan Bank Investors Presentation

Q1 2021 Results – Analyst Call

DISCLAIMER

THE INFORMATION SET OUT IN THIS PRESENTATION AND PROVIDED IN THE DISCUSSION SUBSEQUENT THERETO DOES NOT CONSTITUTE AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO AN INVESTOR. This presentation has been prepared by (and is the sole responsibility of) Boubyan Bank K.S.C.P. (the “Bank”).

The information herein may be amended and supplemented and may not as such be relied upon for the purposes of entering into any transaction. This presentation may not be reproduced (in whole or in part), distributed or transmitted to any other person without the Bank's prior written consent.

The information in this presentation and the views reflected therein are those of the Bank and are subject to change without notice. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and, to the extent that they are based on historical information, they should not be relied upon as an accurate prediction of future performance. These materials are not intended to provide the basis for any recommendation that any investor should subscribe for or purchase any securities.

This presentation does not disclose all the risks and other significant issues related to an investment in any securities/transaction.

Past performance is not indicative of future results. The Bank is under no obligation to update or keep current the information contained herein. No person shall have any right of action against the Bank or any other person in relation to the accuracy or completeness of the information contained in this presentation. No person is authorised to give any information or to make any representation not contained in and not consistent with this presentation, and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Bank.

This presentation does not constitute an offer or an agreement, or a solicitation of an offer or an agreement, to enter into any transaction (including for the provision of any services). No assurance is given that any such transaction can or will be arranged or agreed.

Certain statements in this presentation may constitute forward-looking statements. These statements reflect the Bank's expectations and are subject to risks and uncertainties that may cause actual results to differ materially and may adversely affect the outcome and financial effects of the plans described herein. You are cautioned not to rely on such forward-looking statements. The Bank does not assume any obligation to update its view of such risks and uncertainties or to publicly announce the result of any revisions to the forward-looking statements made herein.

1 Boubyan's Performance & Strategy – At a glance

2 Income statement analysis

3 Balance sheet analysis

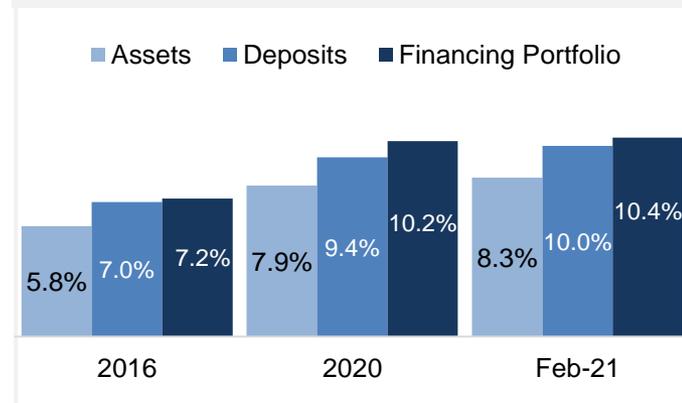
4 Capitalisation and Leverage

Financial Highlights

Financial snapshot

<i>KD million</i>	3M 2021	3M 2020	Growth %
Net Profit to shareholders	12.6	10.2	23%
Operating Income	45.1	41.4	9%
Operating Profit	24.8	22.5	10%
Total Assets	6,772	6,238	9%
Financing Portfolio	4,937	4,577	8%
Customer Deposits	5,238	4,655	13%
Earnings per share (Fils)	3.97	3.22	23%

Market share (Local Level)



Key Financial Metrics

	3M 2021	3M 2020	Variance
Return on Average Equity (%)	8.7	6.4	2.3
Return on Average Assets (%)	0.8	0.7	0.1
Cost to Income (%)	45.0	45.6	-0.6
NPL Ratio (%)	1.2	0.9	0.3
Capital Adequacy Ratio (%)	16.2	16.4	-0.2

Credit Ratings

Rating Agency	Long Term Rating	Outlook	Date
MOODY'S	A3	Stable	Dec 2020
STANDARD & POOR'S	A-	Stable	Nov 2020
FitchRatings	A+	Negative	Apr 2021

نعمل باتقان

The Bank's strategy builds on robust domestic foundations

Strategic objectives

Scale up the
core domestic
business

Retail Banking

- Clear focus on high net worth and affluent clients
 - Expand branch footprint
 - Maintain leadership in customer experience
 - Product and channel innovation
 - Grow market share
-

Corporate Banking

- Primary banker for large and mid-market customers
 - Maintain fair share with super large corporate
 - Superior service (speed & quality)
 - Product and channel innovation
-

Private Banking / Wealth Management

- Scale the PB/WM management operating model
 - Expand product offerings in conjunction with Boubyan Capital and BLME
 - Grow market share
-

- 1 Boubyan's Performance & Strategy – At a glance
- 2 Income statement analysis**
- 3 Balance sheet analysis
- 4 Capitalisation and Leverage

Profitability and performance ratio

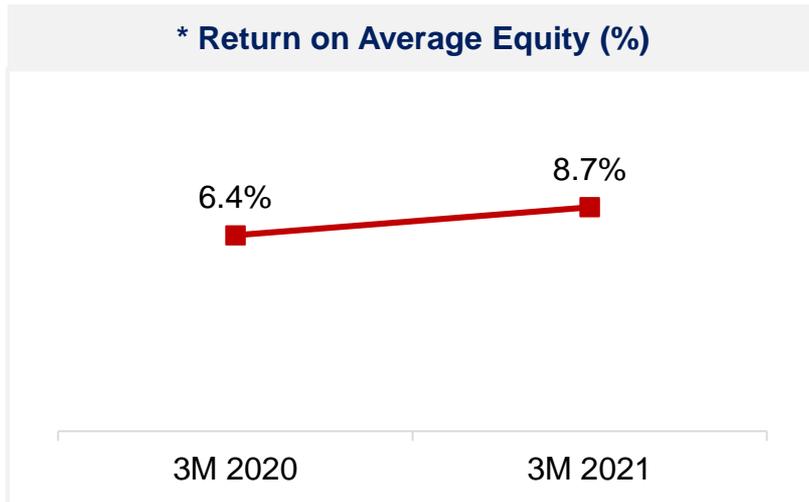
Net profit (KD Million)



Operating profit (KD Million)



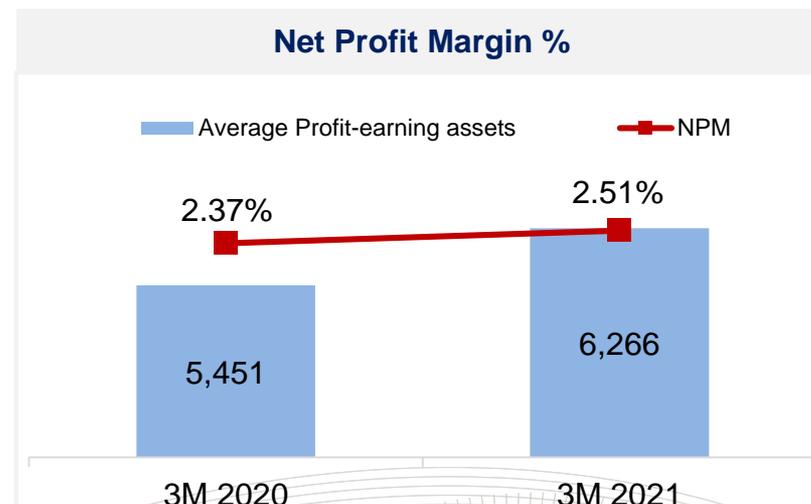
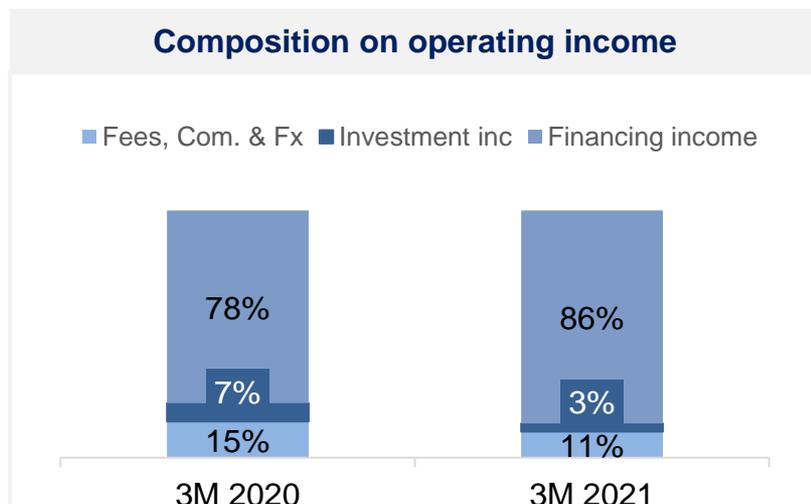
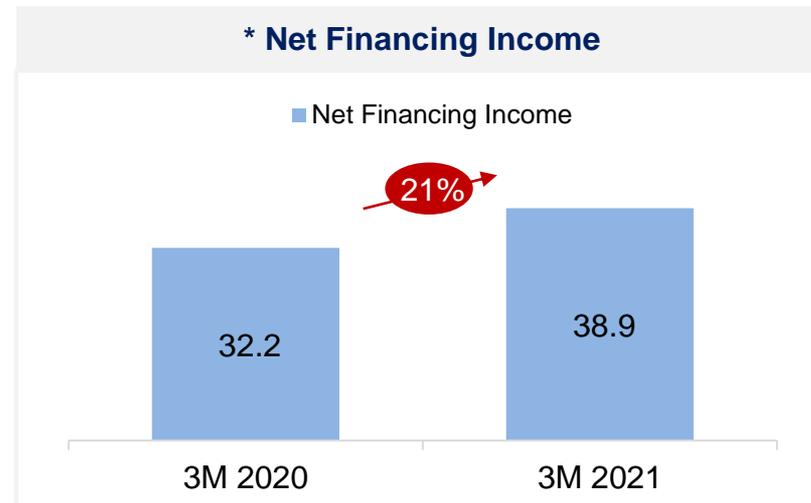
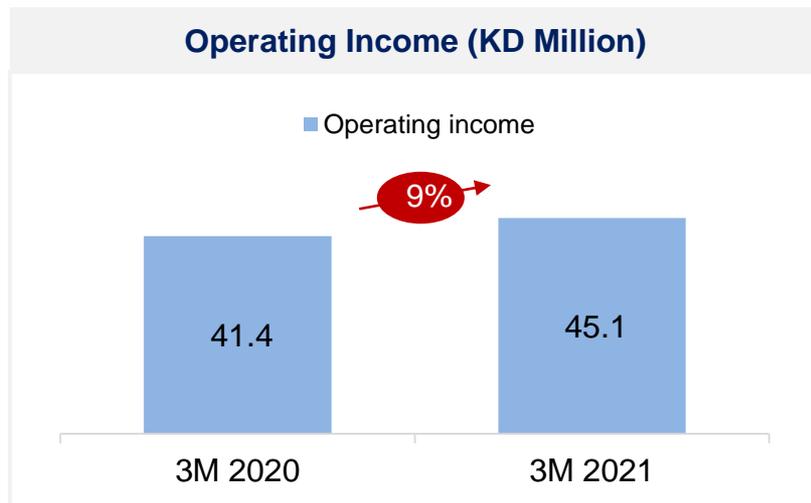
* Return on Average Equity (%)



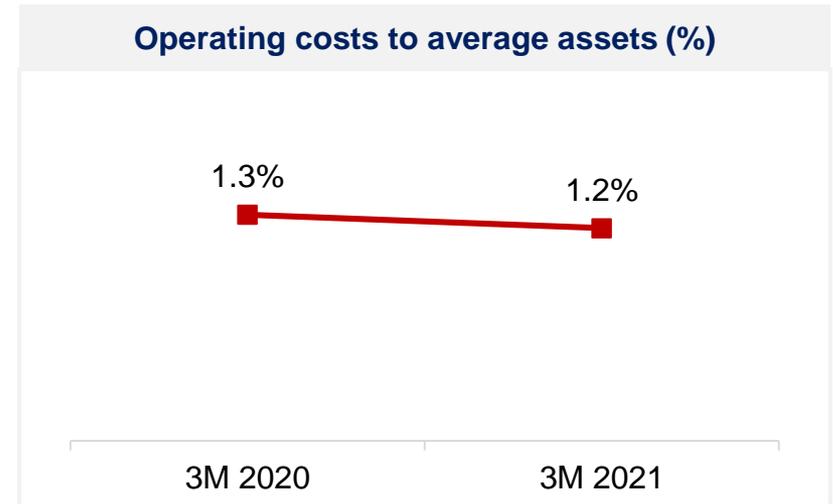
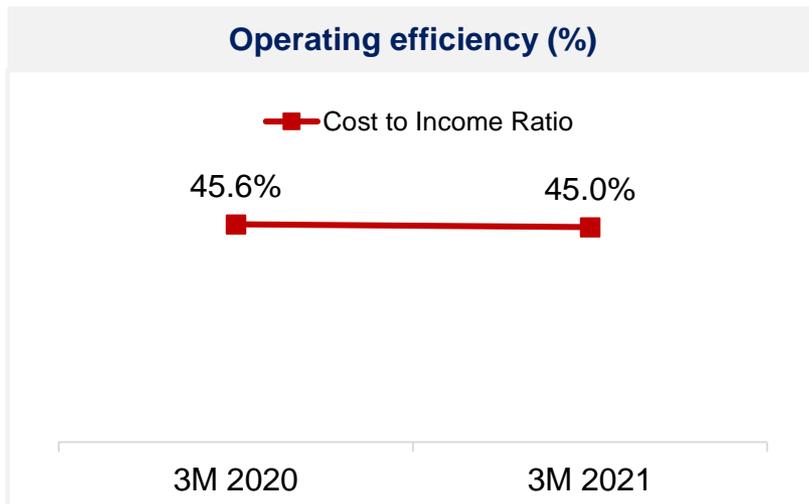
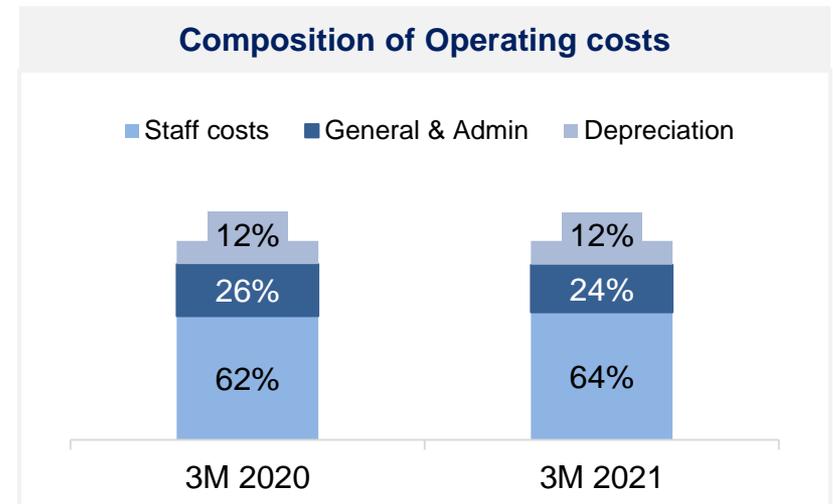
Return on Average Assets (%)



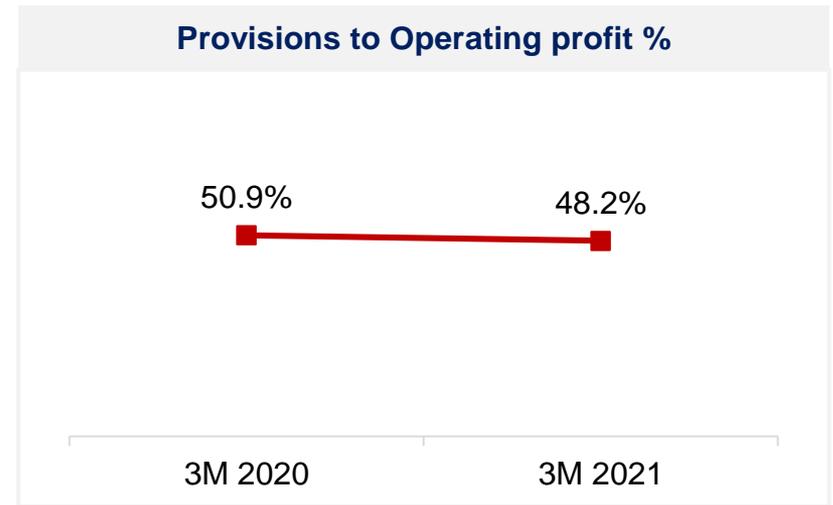
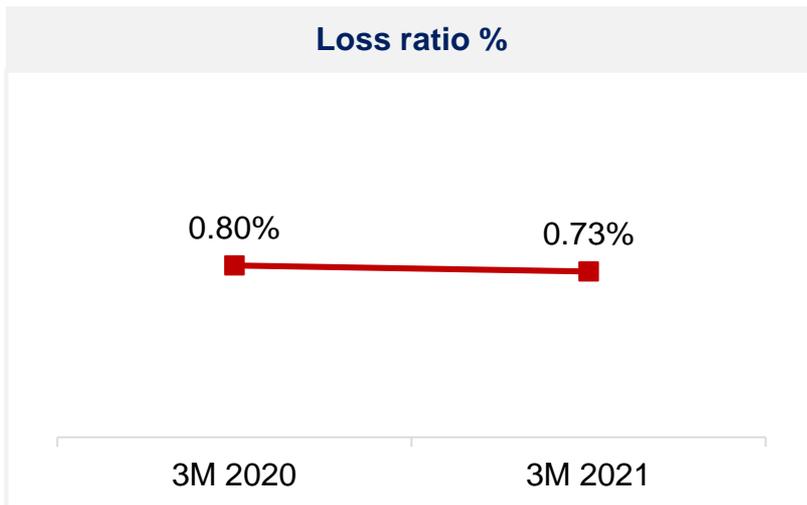
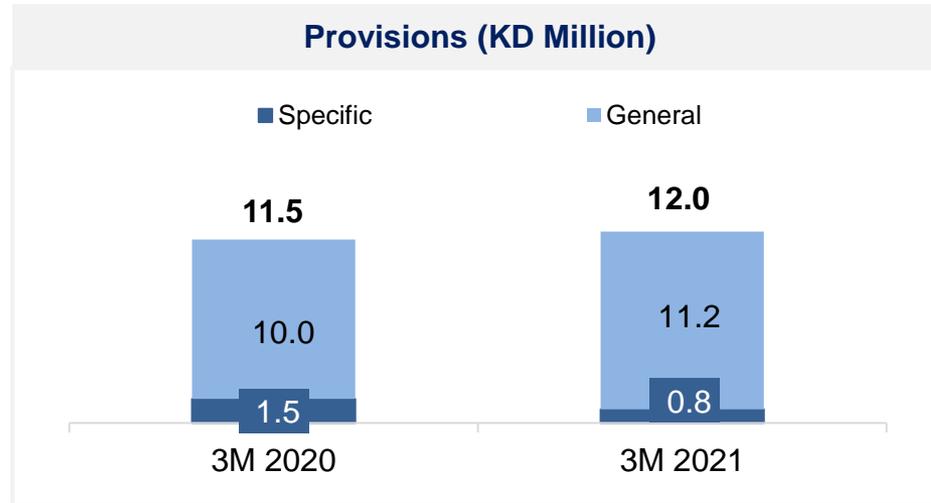
Operating income components and Net Profit Margins



Operating costs and efficiency



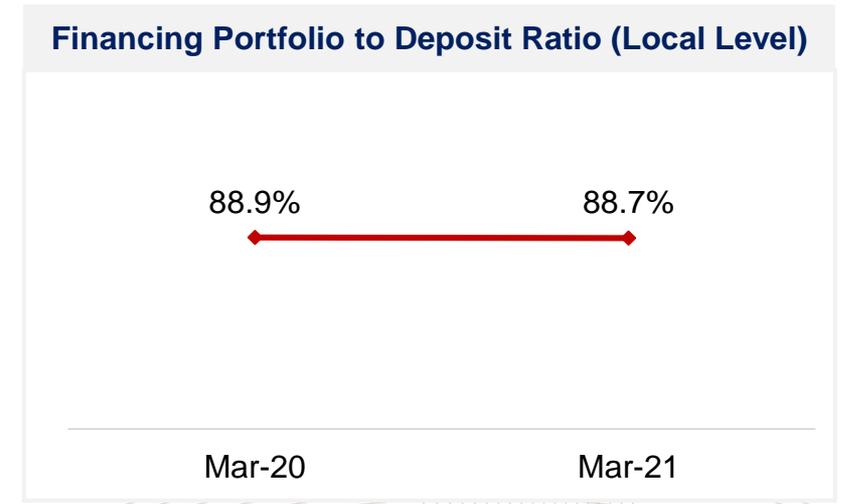
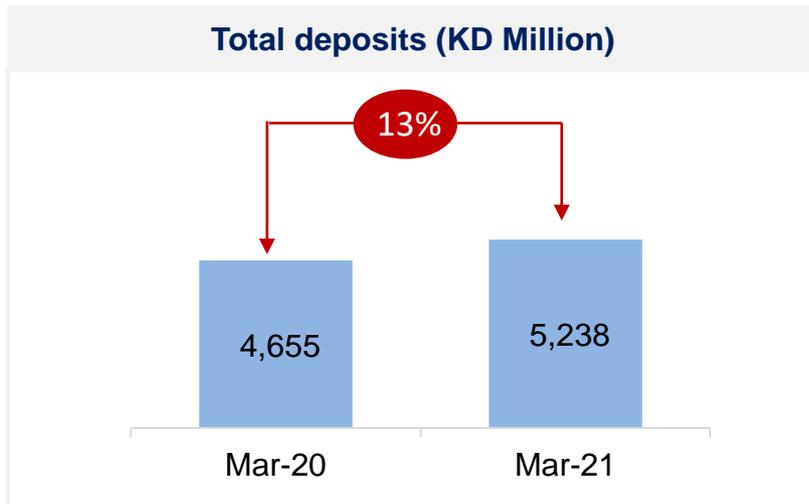
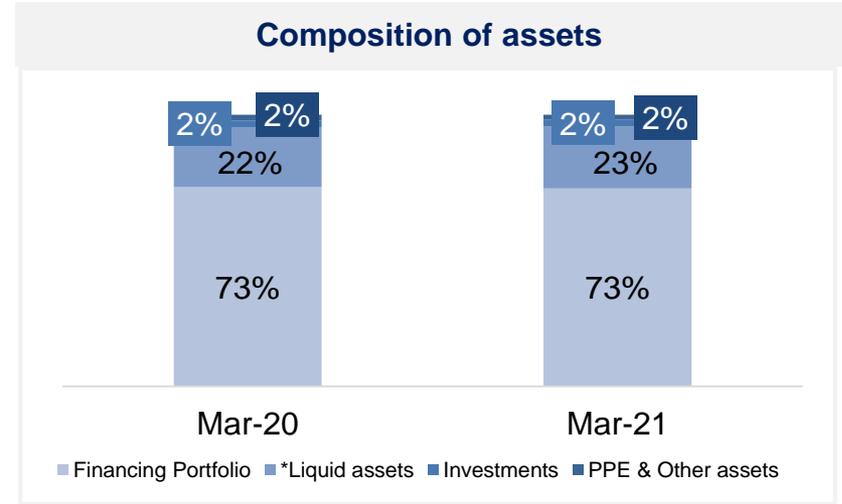
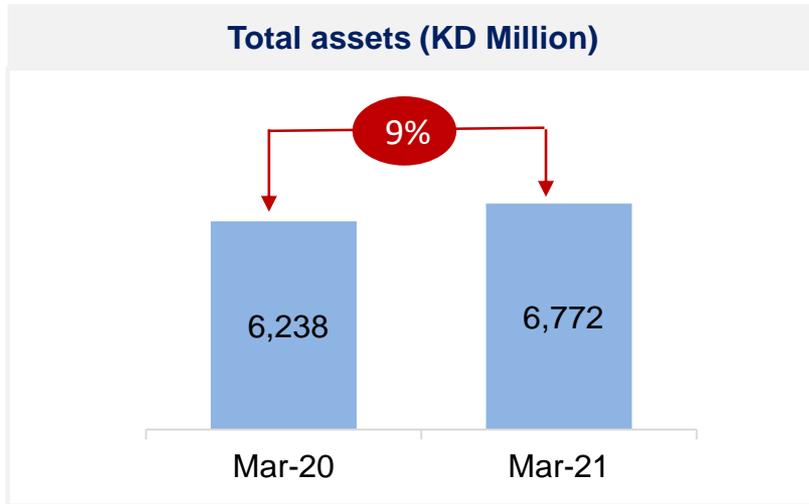
Provisions and related ratios



نعمل باتقان

- 1 Boubyan's Performance & Strategy – At a glance
- 2 Income statement analysis
- 3 Balance sheet analysis**
- 4 Capitalisation and Leverage

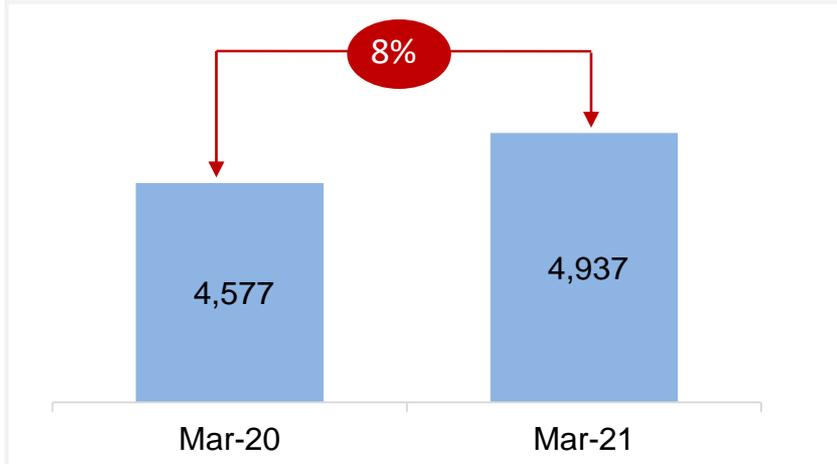
Assets and Sources of Funding



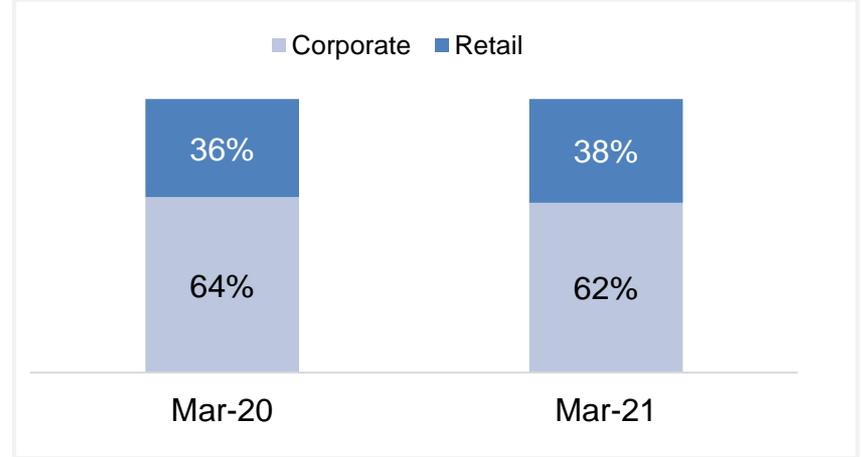
* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments
Source: Financial statements, Boubyan analysis

Financing Portfolio and asset quality

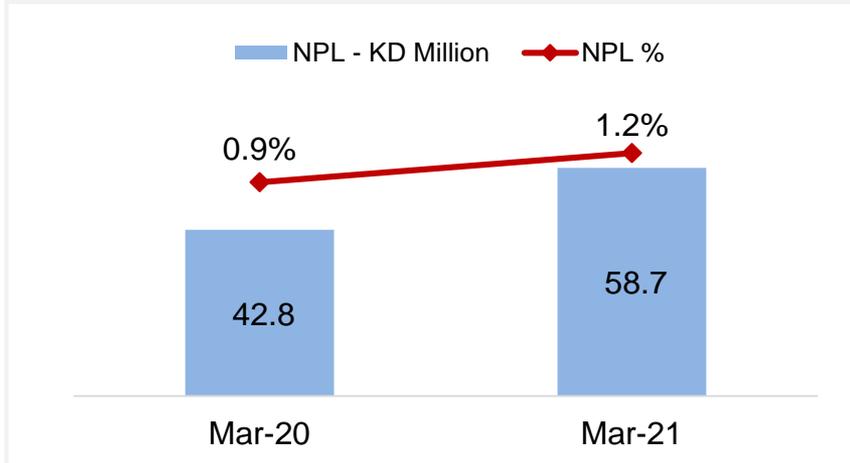
Financing Portfolio – KD Million



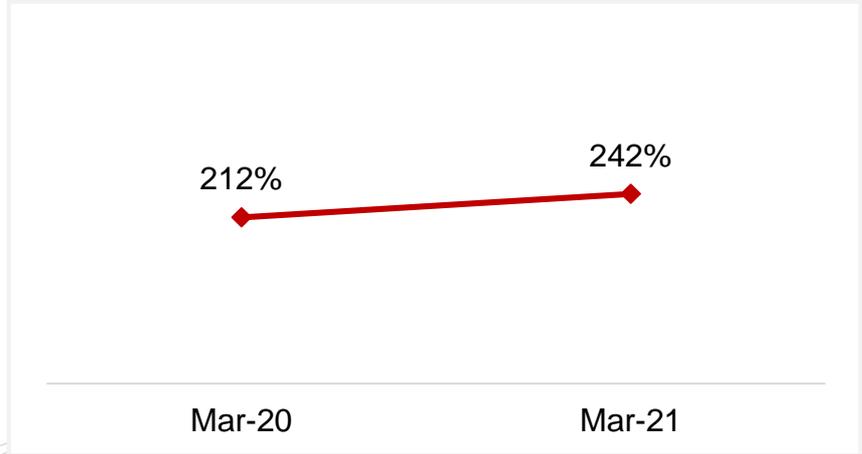
Composition of Financing Portfolio



Non performing Financing Portfolio



Loss Coverage ratio

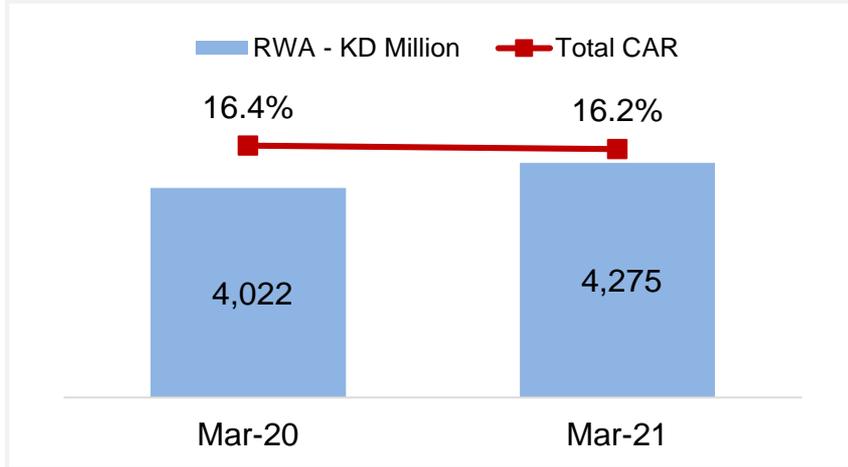


نعمل باتقان

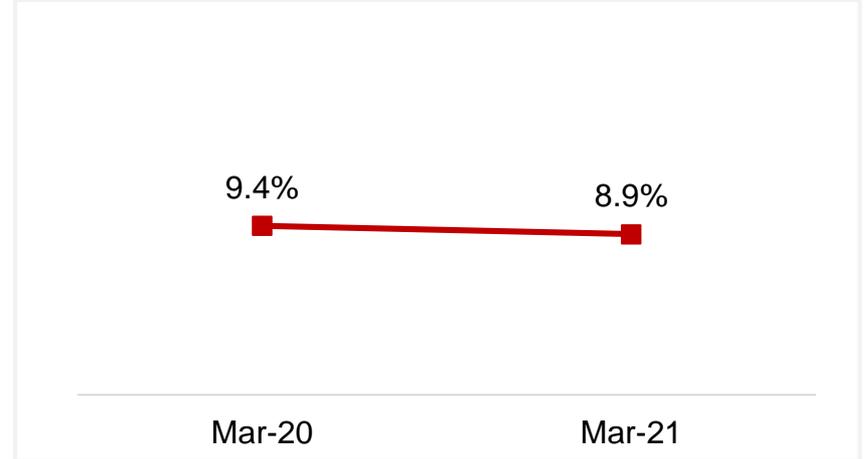
- 1** Boubyan's Performance & Strategy – At a glance
- 2** Income statement analysis
- 3** Balance sheet analysis
- 4** Capitalisation and Leverage

Capital Adequacy

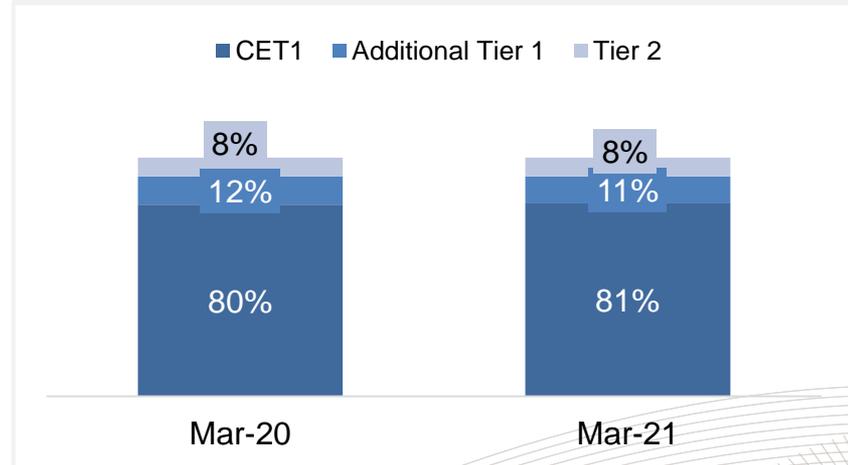
Capital adequacy ratio



Leverage ratio



Composition of regulatory capital



Questions ?

نعمل بإتقان

Appendix

Consolidated Financial Statements – 3M 2021

CONSOLIDATED STATEMENT OF INCOME	31-Mar	31-Mar
KD Million	2021	2020
Income		
Islamic financing income	54.8	57.9
Financing cost	(16.0)	(25.6)
Net finance income	38.9	32.2
Net investment income	1.5	3.1
Net fees and commission income	3.7	3.8
Net foreign exchange gain	1.1	2.3
Operating Income	45.1	41.4
Expenses		
Staff cost	(13.0)	(11.7)
General and administrative expenses	(4.8)	(4.9)
Depreciation	(2.4)	(2.2)
Total Expenses	(20.3)	(18.8)
Profit before provision for impairment	24.8	22.5
Provision for impairment	(12.0)	(11.5)
Profit before taxes	12.9	11.1
Taxes and board remuneration	(0.5)	(0.7)
Non-Controlling Interests	0.3	(0.1)
Net Profit for the year	12.6	10.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31-Mar	31-Mar
KD Million	2021	2020
Assets		
Cash and balances with banks	291.5	236.3
Deposits with Central Bank of Kuwait	287.0	264.2
Deposits with other banks	478.4	488.3
Islamic financing to customers	4,936.8	4,576.7
Investments in Sukuks	492.1	390.6
Other investment securities	102.7	94.9
Investments in associates	3.9	4.9
Investment properties	47.4	47.2
Other assets	38.8	45.7
Property and Equipment	93.0	89.6
Total Assets	6,771.5	6,238.5
Liabilities and Equity		
Liabilities		
Due to banks	477.9	594.0
Depositors' accounts	5,238.3	4,654.7
Medium Term Financing	303.1	232.1
Other liabilities	109.3	100.0
Total liabilities	6,128.6	5,580.9
Equity		
Share capital	302.8	288.4
Share premium	156.9	156.9
Treasury shares	(0.1)	(0.1)
Statutory reserve	35.5	31.8
Voluntary reserve	30.5	30.5
Other Reserves	(18.7)	(42.9)
Accumulated retained earnings / (losses)	26.8	86.4
Equity attributable to equity holders of the bank	533.8	551.1
Perpetual Tier 1 Sukuk	75.4	75.4
Non-controlling interest	33.7	31.2
Total equity	642.9	657.6
Total liabilities and equity	6,771.5	6,238.5

Consolidated Income Statement

KD Million	31-Dec 2020	31-Dec 2019	31-Dec 2018
Income			
Murabaha and other Islamic financing income	223.1	207.6	182.9
Distribution to depositors and Murabaha Cost	(84.2)	(88.2)	(62.6)
Net finance income	138.9	119.5	120.3
Net investment income	6.8	6.2	3.0
Net fees and commissions income	12.3	16.4	13.4
Net foreign exchange gain	5.2	3.7	3.0
Other Income	4.3		
Operating Income	167.5	145.8	139.7
Expenses			
Staff cost	(45.2)	(36.1)	(33.6)
General and administrative expenses	(20.0)	(17.1)	(18.8)
Depreciation and amortization	(9.2)	(7.9)	(4.3)
Total Expenses	(74.4)	(61.1)	(56.8)
Profit before provision for impairment	93.1	84.7	83.0
Provision for impairment	(59.0)	(18.7)	(23.8)
Profit before taxes	34.1	66.0	59.1
Taxes and board remuneration	(0.5)	(3.3)	(2.9)
Non-Controlling Interests	0.9	(0.0)	(0.1)
Net Profit for the year	34.4	62.6	56.1

Consolidated Statement of Financial Position

KD Million	31-Dec 2020	31-Dec 2019	31-Dec 2018
Assets			
Cash and balances with banks	286.7	232.4	83.8
Deposits with Central Bank of Kuwait	336.9	306.2	244.7
Deposits with other banks	180.1	330.0	237.1
Islamic financing to customers	4,823.3	3,826.1	3,262.3
Investments in Sukuks	523.0	318.4	309.3
Other investment securities	99.1	89.2	73.5
Investments in associates	4.1	33.1	28.9
Investment properties	47.1	46.6	24.0
Other assets	45.4	32.4	24.1
Property and Equipment	91.4	86.2	57.0
Total Assets	6,437.1	5,300.5	4,344.8
Liabilities			
Due to banks	281.4	236.5	97.2
Depositors' accounts	5,107.7	4,347.2	3,720.9
Medium Term Financing	305.5		
Other liabilities	115.8	63.7	40.7
Total liabilities	5,810.4	4,647.4	3,858.8
Equity			
Share capital	302.8	288.4	238.8
Share premium	156.9	156.9	62.9
Treasury shares	(0.1)	(0.1)	(0.6)
Statutory reserve	35.5	31.8	25.3
Voluntary reserve	30.5	30.5	24.2
Other Reserves	(22.0)	(8.4)	(5.0)
Accumulated retained earnings / (losses)	14.1	76.2	62.7
Equity attributable to equity holders of the bank	517.9	575.4	408.3
Perpetual Tier 1 Sukuk	75.4	75.4	75.4
Non-controlling interest	33.5	2.3	2.3
Total equity	626.7	653.2	486.0
Total liabilities and equity	6,437.1	5,300.5	4,344.8

Thank you

نعمل بإتقان